



0000154636

BEFORE THE ARIZONA CORPORATION COMMISSION

COMMISSIONERS

BOB STUMP - Chairman
GARY PIERCE
BRENDA BURNS
BOB BURNS
SUSAN BITTER SMITH

Arizona Corporation Commission

DOCKETED

JUL 11 2014

DOCKETED BY

AZ CORP COMMISSION

DOCKET CONTROL

2014 JUL 11 PM 2 42

In the matter of:

WILLIAM N. NORDSTROM and LINDA
NORDSTROM, husband and wife,

NORDSTROM NORDSTROM I, INC., an Arizona
corporation,

NORDSTROM IMPORTS, INC., an Arizona
corporation,

Respondents.

DOCKET NO. S-20899A-13-0396

ORIGINAL

AMENDED THIRD
PROCEDURAL ORDER
(Continues Hearing)

BY THE COMMISSION:

On November 19, 2013, the Securities Division ("Division") of the Arizona Corporation Commission ("Commission") filed a Notice of Opportunity for Hearing ("Notice") against William N. Nordstrom and Linda Nordstrom, husband and wife, Nordstrom Nordstrom, I, Inc. ("NNI"), and Nordstrom Imports, Inc. ("Imports") (collectively "Respondents"), in which the Division alleged multiple violations of the Arizona Securities Act ("Act") in connection with the offer and sale of securities in the form of investment contracts and stock.

Respondents were duly served with a copy of the Notice.

On March 10, 2014, counsel for Mr. and Mrs. Nordstrom filed a request for hearing on their behalf in response to the Notice in this matter pursuant to A.R.S §44-1972 and A.A.C. R14-4-306. A hearing request was not filed on behalf of either NNI or Imports which are defunct corporations.

On March 13, 2014, by Procedural Order, a pre-hearing conference was scheduled on April 21, 2014.

On April 21, 2014, at the pre-hearing conference, the Division and Mr. and Mrs. Nordstrom were represented by counsel. Counsel for the Division indicated that it would be ready to proceed

1 with a hearing in approximately three to four months and would call up to nine witnesses in support
2 of the allegations in the Notice. Counsel for Mr. and Mrs. Nordstrom requested that a hearing not be
3 scheduled for approximately six months because Mr. Nordstrom who is approximately eighty years
4 old had lymphoma and was preparing for a fourth round of chemotherapy in his battle against the
5 disease; has had all of his teeth removed; and was experiencing cognitive issues which made it
6 difficult to prepare for a hearing. Additionally, the Nordstroms had gone through a bankruptcy and
7 had moved to Utah and are living with relatives.

8 On April 24, 2014, by Procedural Order, a hearing was scheduled to commence on September
9 15, 2014.

10 On July 1, 2014, the Division filed a Motion for Continuance ("Motion") for at least eight
11 weeks of both the deadline for the exchange of Witness and Exhibit lists set for August 1, 2014, and
12 for the continuation of the hearing scheduled to commence on September 15, 2014. The Division
13 indicated that the remaining Respondents in the proceeding, William and Linda Nordstrom, are in
14 agreement with this Motion. The Division stated that one of its key witnesses will be unavailable
15 during the presently scheduled hearing and that Respondent William Nordstrom's cancer treatments
16 are continuing for a longer period than was anticipated. The Division further stated that the parties
17 are continuing to negotiate the terms of a settlement and that a continuance may possibly lead to a
18 resolution of the issues raised by the Notice.

19 On July 7, 2014, by Procedural Order, it was found that good cause had been established for
20 granting the Division's Motion for a continuance, and the hearing was continued to November 10,
21 2014; however, it was subsequently found that a conflict existed with this date.

22 Accordingly, the commencement of the hearing and subsequent hearing dates must be
23 amended.

24 IT IS THEREFORE ORDERED that the **hearing** scheduled for **November 10, 11, 12, 13,**
25 **and 14, 2014,** is hereby continued to **November 17, 2014, at 10:00 a.m.,** at the Commission's
26 offices, 1200 West Washington Street, Hearing Room No. 2, Phoenix, Arizona.

27 IT IS FURTHER ORDERED that the **parties shall also set November 18, 19, 20, and 21,**
28 **2014, for additional days of hearing,** if necessary.

1 IT IS FURTHER ORDERED that the Division and Respondents shall exchange copies of
2 their Witness Lists and copies of the Exhibits by September 29, 2014, with courtesy copies
3 provided to the presiding Administrative Law Judge.

4 IT IS FURTHER ORDERED that if the parties reach a resolution of the issues raised in
5 the Notice prior to the hearing, the Division shall file a Motion to Vacate the proceeding.

6 IT IS FURTHER ORDERED that the Ex Parte Rule (A.A.C. R14-3-113-Unauthorized
7 Communications) is in effect and shall remain in effect until the Commission's Decision in this
8 matter is final and non-appealable.

9 IT IS FURTHER ORDERED that all parties must comply with Rules 31 and 38 of the Rules
10 of the Arizona Supreme Court and A.R.S. § 40-243 with respect to the practice of law and admission
11 *pro hac vice*.

12 IT IS FURTHER ORDERED that withdrawal or representation must be made in compliance
13 with A.A.C. R14-3-104(E) and Rule 1.16 of the Rules of Professional Conduct (under Rule 42 of the
14 Rules of the Arizona Supreme Court). Representation before the Commission includes appearances
15 at all hearings and procedural conferences, as well as all Open Meetings for which the matter is
16 scheduled for discussion, unless counsel has previously been granted permission to withdraw by the
17 Administrative Law Judge or the Commission.

18 IT IS FURTHER ORDERED that the Presiding Administrative Law Judge may rescind, alter,
19 amend, or waive any portion of this Procedural Order either by subsequent Procedural Order or by
20 ruling at hearing.

21 DATED this 11TH day of July, 2014.

22
23 
24 MARC E. STERN
25 ADMINISTRATIVE LAW JUDGE
26 ...
27 ...
28 ...


1 Copies of the foregoing mailed/delivered
this 22 day of July, 2014 to:

2 Bradley D. Weech
3 JACKSON WHITE
4 40 North Center Street, Suite 200
Mesa, AZ 85201
Attorneys for Respondents William N. Nordstrom and Linda Nordstrom

5 Matt Neubert, Director
6 Securities Division
7 ARIZONA CORPORATION COMMISSION
1300 West Washington Street
Phoenix, AZ 85007

8 COASH & COASH, INC.
9 Court Reporting, Video & Videoconferencing
10 1802 North 7th Street
Phoenix, AZ 85006

11 By:


12 Tammy Velarde
Assistant to Marc E. Stern